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August 11, 1998

To: G. Vance Smith

From: Tom Gow

Subject: Your August 10, 1998 Letter

As Paul Newman said in the classic movie "Cool Hand Luke," "What we have here is a failure to communicate." Of course that remark earned him a bullet in the head. I hope I fare a little better.

In fact, I appreciate the opportunity your letter gives me to try to set the record straight. In my opinion, you have misread my reaction and comments yesterday by at least 90 percent. I have yet to be persuaded that I have misread your actions.

When I blew up in the face of your sarcasm over my interest in management the following morning, you closed our meeting with the sarcastic parting shot, "It's all my fault." No, all of our problems in communicating are not your fault. Nor do I believe that all of our management problems are your fault or whatever. But Monday night's impromptu meeting was your idea, not mine. It was totally unnecessary, counterproductive, dumb, and potentially more destructive than anything Alan did all day to irritate you. Please let me explain.

Until you showed up around 9:30 PM, I was happy as a clam working, I thought productively, to move forward some of the plans which we all supported. I was playing catch up on a number of items having spent Friday and Saturday with you at the Major Coordinator meeting in Milwaukee. I was in high spirits. I thought you provided great leadership all weekend long. The Majors seemed to be challenged and enthusiastic, and I brought back a number of ideas and resolutions to fix things in the home office. For the first time following a seminar or meeting, that I can remember, I resolved to overcome a bad habit and I took the time on Monday to organize and type my notes so that all of the good ideas and comments and things to do wouldn't get lost on my desk. I was getting ready to take work home and get back into my research for the recruiting agenda (video, Bulletin copy, etc.)

By the time we finished that night, I was so angry and frustrated I could spit. (Apparently you felt the same way.) When I got home, I tried to work on my Bulletin research but couldn't get the meeting out of my mind. I even toyed with the thought of going back to the office to write you a memo. Why did

I feel that way? Did I overreact?

First let me remind you that you had told me weeks earlier that Paul would likely need some convincing before he could be sold on the new responsibilities and that one of his likely concerns was that he would be really accountable to his dad and not me, that the reorganization and job descriptions were your creation and not mine. As I recall the first time he went to you with questions you properly directed him to me.

So here you come and ask me to meet with you in your office. Then as I step into your office I find out that Paul will be joining us and that I am going to be put on the carpet regarding my earlier discussions with him regarding the new job and ACTION Plans. It quickly becomes clear, from your demeanor and words, that you are in a foul mood, that you have nothing new to say, no new insight (I am not always a slow learner), no solutions, only bitching and anxieties. In fact your comments become totally outrageous (not counting the profanity). In your memo, you question whether I believe in the plan we have worked out, but let me remind you that the previous evening you all but said all of our work and steps and the plan itself was worthless (I am sure this inspired Paul).

Because I have been blindsided about the meeting, I can't voice my objection directly without insulting you in front of Paul. It certainly appears that the meeting wasn't Paul's idea either. So I am sitting there wondering how do we end this thing peacefully without convincing Paul that he should have nothing to do with the position. I am also seriously questioning whether I want Paul in that position, if your relationship with Paul leads to my management actions creating that kind of anxiety in you. And I am wondering whether you will insist that this meeting run to midnight and beyond with everyone frustrated.

My concerns had nothing to do with management of the home office or the proposed plan. If I thought we could accomplish something productive I would have been quite willing to drop everything and work through the night. But the way you had the meeting stacked and in your frame of mind that was clearly not in the cards. When you are on a toot, you have an irritating ability to make it extremely difficult for anybody to deny you your pound of flesh without openly going to war with you. So I was relieved when you allowed me to beg for a postponement of the discussion.

As an indication of your frame of mind, when I returned to my office you followed me and uttered another four letter word which could easily have been overheard by one or more of my two "new" employees who were burning the midnight oil (pardon my sarcasm, but what management systems were responsible for that

kind of dedication to the job.) Please don't misunderstand. I am not sitting in judgement. I don't claim to be able to keep profanity out of my language at all times (I suppose all of the war books I read don't help). But I do realize that especially in our organization that is not the way to be respected as a leader, to gain the confidence of employees who do not know you very well (and might otherwise make allowances) or to get high levels of production and cooperation -- the object of management.

You have great insight into the importance of proper organization, delegation, accountability, and job descriptions. I believe I have gained some of your insight from our often painful discussions. But where we part company is that I think you hang too much of the performance of people on that principle.

In particular, high performing people have to believe in what they are doing, have confidence in their leaders (and in the plans of their leaders), have an environment that inspires their best, and believe that their leaders will treat and evaluate them fairly.

Monday night did not have that effect on me. I found it totally demoralizing. I can't speak for Paul, but I was concerned enough so that I tried to defuse the stress. It could easily have had a damaging effect on the morale of the two employees working late. It certainly didn't help your morale or productivity either. Accountability accomplished with tirades does not produce results. By definition, if it does not produce results, it is poor management.

I think I can appreciate the stress you are under as our leader. In my opinion, the problem is that your reaction to that stress is sometimes your worst enemy. I sometimes think you trust your imagination too much. Perhaps, I trust mine too much too. But you say I sometimes read you accurately. Here is what seems to me happened:

After a really successful weekend, you returned home to find your daughter in the hospital. I don't know what kind of a Monday you had, but you most likely went home tired. Then you started to worry, "am I doing enough to solve our problems?" The hour in the battle is late. We have enormous problems (never mind that we have ambitious plans in the works to address those problems). We have held the leadership reins for seven long years. But serious problems are still unresolved. Paul walks in. He makes a comment or you ask him a couple of questions and your imagination and anxiety level skyrocket. So, let's go see if we can find Tom and get this resolved.

The problem was that you weren't in a frame of mind where you could solve anything. You could just undermine and sabotage what you had been working so well in recent weeks to accomplish.

Frankly, when you get in that mood, you would be better off to go rent a movie, go to bed and get some sleep, or lock yourself in a room -- anything but try to "resolve" problems. Rather than speak so directly to you, I made the comment "Rome was not built in a day." I wasn't speaking about my lack of patience in working on management problems but unskillfully suggesting that it was time for you to back off. Similarly, as we left in the parking lot you commented on your worries and I tried to point out that worrying didn't solve problems. (Research what the success seminars say about worry -- it is a liability not a virtue.)

In fact, what I would prefer to point out is that excessive worry on the part of a leader is a decided problem. It's a common challenge of leadership in warfare. A leader who gives in to his worries undermines his own plans. His plans are never good enough. What if something goes seriously wrong? He can't resist a little more tinkering, even when his men are under tremendous stress to carry out his battle plan. He's on the radio, demanding reassurance during the early phases of the attack when his men should be concentrating on carrying out the plan. His men are frustrated with such dangerous and unproductive interference. A leader has to know when to get out of the way. Often it takes a great deal of courage to do so.

Vance, I can't turn back the clock or make the clock stand still for you. You have experience and insight that I don't have. Likewise, I think I have some insight as well. In particular, my judgement says that "plan your work and work your plan is where it's at." Revise the plan when the weaknesses become apparent, but don't let worry over the plan prevent your organization from working.

I do have a lot of enthusiasm for the reorganization. In the beginning, I questioned whether merely rearranging the furniture would accomplish anything significant and whether we wouldn't be better off concentrating on finding some new furniture and getting the financial resources to afford them. But the addition of Larry Greenley opened up several significant options. And I think your ideas incorporated in the plan for spreading one general (me) much further, until we can develop some more generals, make a lot of sense. (I am still uncertain as to what would be the best timetable and way to make the shift with Paul with respect to his current responsibilities or who if anyone to replace him with in his current responsibilities).

I am optimistic that I can get more of what we need out of the home office personnel, partly due to the reorganization but also due to a much clearer vision on my part of what the home office needs to accomplish to support growth and how to go about it. I felt I was making good progress toward that agreed-upon

objective. That is why it is so frustrating to have you tie me up and demoralize me with a tirade deprecating all our efforts and progress.

I am persuaded that the reorganization will help me manage the operation significantly better -- any part of the reorganization or better yet all of it. Frankly, however, what tempers my enthusiasm is that I am not at all convinced that I can achieve the results you seek. There are several reasons.

You profess you want to help me solve my management problems so that I can have more time to work on the mission. Pardon me, if I doubt if any system or organization or amount of progress will prevent you from worrying and dragging others into frustrating, demoralizing, time-wasting inactivity. The only solution to that is your insight and determination to resist the temptation. And it's a lot easier to resist on a good night's sleep.

Other reasons why I have doubts include: 1) my own management skills -- the new system still depends on my learning and practicing improved management skills; 2) our judgements regarding what's significant and important managementwise are different (and I don't claim to be right); 3) I doubt whether you will take the time to accurately evaluate the contributions of employees with complex job descriptions before making snap judgements which create unnecessary organizational stress; and 4) you want instant results on your investment.

I am not looking for an apology for wasting my time -- you mumbled one as we left the other night. Personal injustices committed by me on you or you on me are largely irrelevant, if our skins are thick. I know I am not keeping score. What counts is the battle and our ability to wage the battle effectively. What I am looking for is the opportunity to work on a good plan to the best of my ability and to help you be more effective, since you are our leader. I believe we both have the potential to be much more effective.

If it turns out that I become convinced (perhaps tomorrow when I reread this memo) that my analysis is offbase and that I am the source of most of my own frustration, then I will be deeply embarrassed to have added to your stress. Since you frequently complement me so highly, I find it especially awkward to criticize you.

But I think we should agree that it is essential that I do so as constructively as possible. There is no question that it is your responsibility to evaluate me and offer suggestions. But the top man in any operation is in a precarious position. Undoubtedly unnerving. But there is also a great danger that he

equates authority with wisdom (just as our speakers have often become convinced that they are blessed with special insight because crowds applaud them wherever they go. "Yes men" do any organization a great disservice.

It's getting late and I know that I have not addressed many of the specific issues you raise in your letter (which include concerns clearly going beyond our meeting the other night). Even though this letter is not my best work (it meanders horribly), I think I will give it to you anyway (since you were so prompt with yours). Perhaps rereading the memos, I will have inspiration to write a more insightful Part 2.

I would, however, like to add a thought or two on the McConkey "build and sell motors" dispute. You say I would rather argue it that apply it. Yes, I do have several problems with your oversimplified use and interpretation of the story. (I wish we had more details and facts regarding what McConkey did and what really transpired). First, you often give the impression that you think a lack of employee understanding of what our organizational objectives ought to be (build and sell motors) explains why our employees are not coming up with the programs and solutions to build and sell motors.

If it is merely lack of understanding, then a speech by the CEO, repeated often enough, ought to correct the problem, shouldn't it? But what if that is not the problem or only a small part? There are other possibilities which point more toward leadership rather than dense or stubborn employees. Even though an employee understands the organization's objectives, he may have no clue as to how he can personally do more to advance those goals. (For example, a chapter leader knows that he needs to get a good attendance at a presentation meeting but may well lack the vision of how to bring it about.) The fact that the proper role of many departments in the home office contributes only indirectly to membership growth, as opposed to Coordinators who contribute directly, complicates that vision.

Another explanation is that the organization is placing demands on the employees from above which they feel constrained to satisfy. And finally, even though employees know their job is to build and sell motors, no one has told them what the play is.

Is it a pass or a run? (Pardon the mixed metaphor.) Are we building Fords or Buicks today? Is last year's model satisfactory or is a souped-up version needed? Perhaps the employees are waiting for the leader to come up with the call and the leader is waiting for the employees to come up with the solution.

odds and ends

What I am not

anxiety -- declare war for no reason at all

exaggeration to make a point

one principle won't do it (reread Napoleon Hill)

say you're sorry when ... waste ... to satiate ... but not so.
You may be sorry that you ... but you feel justified in doing it
nonetheless.

Doesn't matter. What is important is to provide the best
leadership we can.

(, I don't insist that you be perfect, merely

Don't ignore the wisdom in the statement that "people hate to
be managed they want to be led."

In fact, the men in the boiler room on a warship most likely
understand that their job is to meet the demands for speed from
the bridge and that how well they do so may well determine
whether they live or die. Does it really affect the performance
of the ship if these men understand that the mission of the ship
is to sink enemy shipping as opposed to transporting war
materials while evading enemy submarines? They do need to know
that keeping the engines running is for propulsion in life or
death contests, not simply for heating the engine spaces. They
may feel that they are giving the Captain the means to accomplish
any number of objectives. Similarly, many of our employees
undoubtedly feel that they are contributing to the vitality of
our organization
responsibility for how that propulsion is used rests with the
leader.